

## **APPENDIX B**

### **CONTRACTOR INTERVIEW RESPONSES**

Just as the capacity and skill level of MPW is vital in determining the role of the department in providing paving and milling services, the ability of private contractors to provide both routine and specialized pavement preservation services is equally important. In order to determine the capacity and skill levels of contractors, a questionnaire was developed and interviews conducted with three area contractors who bid regularly on MPW paving projects.

Of particular interest was contractor experience in different paving activities and the interest of the contractor to bid on certain types of work. The different project types were

1. Milling and overlay
2. New construction
3. Reconstruction
4. Slurry seals and micro-surfacing
5. Chip seals
6. Fog seals, tar seals, and rejuvenators
7. Crack sealing
8. Pothole patching
9. Spot removal and patching
10. Shoulder maintenance
11. Emergency road maintenance

One of the contractors was not interested in laying asphalt if it was produced by a client or other contractors. The other two preferred not to do so, with one indicating a higher price would result. While reasons were not articulated, most contractors would likely be concerned with quality control issues related to competitors' products. No contractor had performed cold in-place recycling.

#### **B.1 CONTRACTOR NUMBER 1**

The first contractor had four asphalt plants in Davidson County and more in surrounding counties. Stockpiles of aggregates are maintained. This contractor can develop specific mixes. The contractor has four technicians and a laboratory certified by the TDOT in mix design and qualified control. Maximum 30 day capacity is about 158,000 tons. Typical project size is about one million dollars but varies greatly. The company has 17 million dollars in insurance coverage and unlimited bonding coverage. Only stationary traffic control is available, although the company would consider retaining a subcontractor for mobile traffic control. This contractor has both night and winter paving capabilities. Both hot mix and cold mix patching is performed.

The contractor was interested in bidding on all pavement preservation types except for slurry seals, micro-surfacing, fog seals, tar seals, and rejuvenators. The company had both group paving and street level contract experience in the other paving work.

The contractor said that the typical project manager on a job had a minimum of 15 years experience, while a foreman typically had 10 years. An equipment operator usually had 8 years experience while a general laborer may have 6 years. The contractor had not encountered any recent utility incursion and had a total of 56 days lost to four accidents during 2002.

This contractor had a total of 8 million dollars of paving work for MPW in the last 3 years. He had performed one warranty contract with TDOT and had worked on projects involving modified asphalt concrete mixes, emulsion asphalt concrete mix, advanced lay down method, and advanced technology for remixing asphalt on the job and eliminating uneven paving. Average mobilization time is 2 weeks.

This contractor computes overhead as a percentage added to direct costs.

## **B.2 CONTRACTOR NUMBER 2**

The second contractor had an asphalt plant in Davidson County and others in the mid-state region. Stockpiles of aggregates are maintained. This contractor can develop specific mixes. The contractor has four technicians and a laboratory certified by the TDOT in mix design and quality control. Maximum 30 day capacity is about 50,000 tons. The typical project size is about \$350,000. The company has 50 million dollars in insurance and bonding coverage. Only stationary traffic control is available, although the company would consider retaining a subcontractor for mobile traffic control. This contractor has both night and winter paving capabilities. Both hot mix and cold mix patching is performed, but the contractor prefers hot mix patching.

The contractor was interested in bidding on milling and overlay, new construction, and reconstruction and would be interesting in bidding on fog seals, tar seals, and rejuvenators on group paving contracts only.

The contractor said that the typical project manager and foreman on a job each had a minimum of 25 years experience. An equipment operator usually had 15-20 years experience while a general laborer may have only a few weeks. The contractor had not encountered any recent utility incursion and had one recent accident involving a paving truck. (This contractor uses the Du Pont safety program training system.)

The contractor had nearly 2 million dollars of paving work for MPW in the last 3 years and currently has a group paving contract. He had not performed a warranty contract or worked on an emulsion asphalt concrete mix, but he had worked on projects involving modified asphalt concrete mixes, advanced lay down method, and advanced technology for remixing asphalt on the job and eliminating uneven paving. Mobilization time is 3 to 4 days, depending on project size.

This contractor computes overhead based on the job size, not as a percentage added to direct costs, because cost has already been factored in the equipment.

## **B.3 CONTRACTOR NUMBER 3**

The third contractor had two asphalt plants in Davidson County and others in the region. Stockpiles of aggregates are maintained. This contractor can develop specific mixes. The contractor has four technicians and a laboratory certified by the TDOT in mix design and qualified control. Maximum daily capacity is about 800 tons on city streets and 2,000 tons in plant capacity; a 30-day capacity was not known. The typical project size is about \$1.2 to 1.5

million. The company has exercised as much as 10 million dollars in insurance and bonding coverage with more available as needed from the parent company. Only stationary traffic control is available, although the company would consider retaining a subcontractor for mobile traffic control. This contractor has both night and winter paving capabilities (construction and milling but not patching). In warmer months hot mix asphalt is used for patching.

The contractor was interested in bidding on milling and overlay, new construction, and reconstruction and would be interested in bidding on chip seals on group paving contracts only. The contractor would be interested in bidding on emergency road maintenance as well as fog seals, tar seals, and rejuvenators on a yearly contract basis only.

The contractor said that the typical project manager, foreman, and equipment operator on a job each had a minimum of 10 years experience. A general laborer typically had a year or more experience. The contractor reported he encountered a utility incursion about once a month, usually a dump truck snagging an overhead utility line. Typically, the contractor experiences about six incidents per year with one fatality occurring 2 years ago at a batch plant.

This contractor had not performed new paving work for MPW in the last three years and currently has no group paving contract. The contractor has performed a total of five group projects involving milling and overlay in recent years; the company and its forerunners have a thirty plus year contractual relationship with MPW. Total MPW work in the last 3 years is approximately 6 million dollars. The contractor had not performed a warranty contract and did not consider it feasible on a city street project (where the risk factor is considered high) unless the liability is defined very narrowly.

The contractor last worked on an emulsion asphalt concrete mix in the early 1980's in an adjoining county, but he had worked on projects involving modified asphalt concrete mixes, advanced lay down method using laser and GPS paving guides. No other advanced technology was cited. Mobilization time is about 2 weeks, depending on the time required for the utility subcontractor to adjust castings.

This contractor computes overhead based on the job volume (in tonnage) as a percentage added to direct costs based on historical total operating costs. Overhead rates vary by the volume of production with low production volume resulting in a higher unit cost due to the cost of idle equipment.

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